

**James Madison to Joseph Jones, November 21,
1780. Transcription: The Writings of James Madison,
ed. Gaillard Hunt. New York: G.P. Putnam's Sons,
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TO JOSEPH JONES.¹

1 From the Madison Papers (1840).

Philadelphia, November 21, 1780.

Dear Sir, —I am glad to find you have at last got a House of Delegates, and have made so auspicious a beginning, as an unanimous vote to fill up our line for the war. This is a measure which all the States ought to have begun with. I wish there may not be some that will not be prevailed on even to end with it. It is much to be regretted that you are not in a condition to discontinue another practice equally destructive with temporary enlistments. Unless an end can by some means or other be put to State emission and certificates, they must prove the bane of every salutary regulation. The depreciation in this place has lately run up as high as one hundred for one, and it cannot be satisfactorily accounted for, on any other principle than the substitution of certificates in the payment of those taxes which were intended to reduce its quantity and keep up a demand for it. The immediate cause of this event is said to have been the sudden conversion of a large quantity of paper into specie, by some Tories lately ordered into exile by this State. It is at present on the fall, and I am told the merchants have associated to bring it down and fix it at 75. The fate of the new money is as yet suspended. There is but too much reason, however, to fear that it will follow the fate of the old. According to the arrangement now in force, it would seem impossible for it to rise above one for forty. The resolutions of Congress which establish

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that relation between the two kinds of paper, must destroy the equality of the new with specie, unless the old can be kept down at forty for one. In New Jersey, I am told, the Legislature has lately empowered the Executive to regulate the exchange between the two papers, according to the exchange between the old and the new, in order to preserve the equality of the latter with specie. The issue of this experiment is of consequence, and may throw light perhaps on our paper finance. The only infallible remedy, whilst we cannot command specie, for the pecuniary embarrassments we labor under, will, after all, be found to be a punctual collection

of the taxes required by Congress.

I hope you will not forget to call the attention of the Assembly, as early as the preparations for defence will admit, to the means of ratifying the Confederation, nor to remind it of the conditions which prudence requires should be annexed to any territorial cession that may be agreed on. I do not believe there is any serious design in Congress to gratify the avidity of land mongers, but the best security for their virtue, in this respect, will be to keep it out of their power. They have been much infested, since you left us, with memorials from these people; who appear to be equally alarmed and perplexed. Mr. G. Morgan, as agent for the Indiana claimants, after memorializing Congress on the subject, has honored the Virginia delegates with a separate attention. He very modestly proposes to them a reference of the controversy between the company and Virginia to arbitration, in the mode pointed out in the Confederation for adjusting disputes between State and State. We have given him for answer, that as the State we represent had finally determined the question, we could not, with any propriety, attend to his proposition; observing at the same time, that if we were less precluded, we could not reconcile with the sovereignty and honor of the State an appeal from its own jurisdiction to a foreign tribunal, in a controversy with private individuals.